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1 considerations from an engine standpoint do you
 2 look at and say, the C12 engine is suitable for
 3 these characteristics?

4 And if that's another way of
 5 getting at that I'll withdraw the last question
 6 and get at that.

7 MR. GRUNERT: I still object.
 8 But if you can answer that question go ahead.

9 MR. SAMITO: Off the record.
 10 (Discussion off the record.)

11 BY MR. SAMITO:

12 Q. I'll get at it another way. Were C12
 13 engines appropriate for fuel hauler and dump
 14 trailer operations in the New England area?
 15 A. Yes.

16 Q. Were the C12 engines appropriate for
 17 Trans-Spec's trucks as they were spec'd?

18 MR. GRUNERT: Object to the form.

19 THE WITNESS: I don't know
 20 because I don't know what exactly was spec'd on
 21 them.

22 BY MR. SAMITO:

23 Q. Has Caterpillar ever received the spec'g

1 to build for a, you know, particular customer.
 2 So I don't know. I can't answer that.

3 BY MR. SAMITO:

4 Q. Does Caterpillar provide its performance
 5 data in its specifications for its various
 6 engines for inclusion in spec'g programs used
 7 by OEMs?

8 A. I think we do. We do send out information
 9 on heat rejection, performance, torque, those
 10 types of things that they can use if they want
 11 in their spec'g program.

12 Q. Does Caterpillar have any specific spec'g
 13 program that it uses?

14 A. There's a program called Design Pro that
 15 is used to make sure that the truck axle ratios
 16 and gear ratios are set up to get optimum fuel
 17 economy, and usually it's startability and
 18 gradeability is often looked at in that.

19 Q. Who would use that in terms of dealing
 20 with a customer?

21 A. And I don't get into this a lot, it's on
 22 the sales side of the business, but it would
 23 be, I believe it would be provided to an OEM

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1 details as part of its pre-litigation
 2 investigation?

3 A. We may, I believe we have like, I believe
 4 we have build sheets somewhere here.

5 MR. GRUNERT: I think there's one
 6 in those 6SIGMA documents.

7 THE WITNESS: Okay. There we go.
 8 Can you restate your question again?

9 BY MR. SAMITO:

10 Q. Sure. Were the C12 engines appropriate
 11 for Trans-Spec's trucks as they were spec'd or
 12 designed?

13 MR. GRUNERT: Object in so far as
 14 you're seeking an expert opinion. If you can
 15 answer that question without offering expert
 16 opinions go ahead and answer.

17 THE WITNESS: We, Caterpillar
 18 sells engines to the truck manufacturer and the
 19 truck manufacturer specs those according to
 20 what the customers want when they order the
 21 trucks.

22 So I'm not directly involved in
 23 approving or disapproving what they are going

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1 dealer and/or our Caterpillar dealers.

2 The people involved in sales
 3 there would have that software.

4 Q. So in Massachusetts Southworth Milton
 5 would have that software?

6 A. I believe they do.

7 Q. Is it generally common to have flywheel
 8 housing failures in engines?

9 A. No, it's not common.

10 Q. Do you know what sort of damage a failed
 11 flywheel housing can do to an engine?

12 A. I don't know what kind of damage it would
 13 do to the engine. Obviously, you know, the
 14 flywheel housing would be non-useable if it's
 15 cracked.

16 And because of the, obviously to
 17 get at it you'd pull the transmission out.
 18 It's an expensive repair.

19 Q. Do you know what sort of damage a failed
 20 flywheel house can do to a truck as a whole?

21 A. Again, it would, the truck would have to
 22 be pulled out of service to be repaired.

23 Q. Would it do damage to the clutch?

EXHIBIT

Exhibit A

1 Q. What's the fix for the problem?
 2 MR. GRUNERT: Same objection.
 3 BY MR. SAMITO:
 4 Q. Does Caterpillar have a fix for the
 5 problem?
 6 MR. GRUNERT: Object to the form.
 7 Truck Services' problem?
 8 MR. SAMITO: For the problems
 9 with the flywheel houses.
 10 MR. GRUNERT: Well, I object to
 11 the form. You have not established that there
 12 is a problem with the flywheel housings.
 13 BY MR. SAMITO:
 14 Q. Why was the 6SIGMA team formed?
 15 A. To investigate complaints on the flywheel
 16 housings.
 17 Q. Is the 6SIGMA team formed for every time
 18 there's a complaint on any engine part?
 19 A. Lots of times it is.
 20 Q. So if a single complaint comes in a 6SIGMA
 21 team will be formed?
 22 A. Not a single complaint.
 23 Q. How, what triggers it? What is your

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1 BY MR. SAMITO:
 2 Q. What was the fix for the trucks that were
 3 having problems or failures with the flywheel
 4 housings and the flywheel housing bolts?
 5 A. Say again.
 6 MR. GRUNERT: In addition to the
 7 ones he's told you about? The Oshkosh ones?
 8 MR. SAMITO: In general. In
 9 general. All, all, all of the, all of the
 10 trucks that the 6SIGMA team looked at.
 11 Mr. Bowes testified that he, the
 12 6SIGMA team didn't come up with a fix for
 13 Trans-Spec's problems and broadened out to look
 14 at other flywheel housing failures and flywheel
 15 house bolt failures, and what I'm asking is,
 16 what was its conclusion, what was the fix for
 17 C12 flywheel housing and flywheel house bolt
 18 failures.
 19 MR. GRUNERT: The problem with
 20 the question is that it is assuming that there
 21 are repetitive C12 flywheel housing failures on
 22 trucks other than Truck Service's trucks.
 23 That is to say that there is a

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1 cutoff?
 2 A. Three failures.
 3 Q. Three failures? And in this case how many
 4 failures before the 6SIGMA team was triggered?
 5 A. At the time that we formed the team there
 6 was probably a hundred failures.
 7 Q. Did the 6SIGMA team focus just on
 8 Trans-Spec's trucks or on C12 flywheels in
 9 general?
 10 A. We --
 11 Q. Or were there two teams?
 12 A. No. We started the team based on
 13 Trans-Spec's complaints and then we broadened
 14 it to see if there was a bigger problem.
 15 Q. So when you first looked at Trans-Spec's
 16 problems, what was the permanent fix for
 17 Trans-Spec's problems?
 18 A. We could not find the root cause.
 19 Q. How about for the broader, when you
 20 broadened out what was the permanent fix that
 21 the team came up with?
 22 MR. GRUNERT: Object to the form.
 23 There was no need for a permanent fix.

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1 problem that needs to be fixed.
 2 MR. SAMITO: It's not assuming
 3 that. It's saying in general what did the
 4 6SIGMA team find as its final conclusion.
 5 What did it say should be done to
 6 prevent further problems, whether it's a
 7 flywheel house that was perfectly fine or
 8 whether it's one that has had multiple
 9 failures; what was the final solution.
 10 MR. GRUNERT: Again, I object to
 11 the form. The question is unanswerable in that
 12 form.
 13 But if you, if you understand
 14 what he's asking and if you can formulate an
 15 answer to that question, go ahead and do so.
 16 THE WITNESS: The team looked at
 17 the failures across, you know, all of our
 18 110,000 engines and our approach was to look
 19 at, narrow it down to particular OEM's as
 20 having a problem worse than others.
 21 So the focus of our
 22 investigation, not having unlimited resources,
 23 was to look at that particular OEM and try to

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1 understand why they were having these failures.
 2 And the investigation was ongoing
 3 when litigation came in and we were halted in
 4 doing so.

5 BY MR. SAMITO:

6 Q. What OEMs were having problems?
 7 A. Sterling was having a failure rate higher
 8 than the rest of the OEMs as well as Oshkosh
 9 for the earlier, earlier description that I
 10 talked about.

11 Q. What about other OEMs?

12 A. Other OEMs had failures, but not nearly to
 13 the extent that Sterling did.

14 Q. Did Freight Liner have failures?

15 A. Yes.

16 Q. Did International have failures?

17 A. Yes.

18 Q. Did Kenworth have failures?

19 A. Yes.

20 Q. Did Peterbilt have failures?

21 A. Yes.

22 Q. Was it the same problem across the board?

23 In other words, were the failures in all the

1 It refers to a customer in

2 Tennessee that had a unit with three failures
 3 and has 267,000 miles on it.

4 You mentioned before

5 participating I believe in the investigation or
 6 being familiar at least in terms of this

7 Tennessee company's --

8 A. Uh-huh.

9 Q. -- three failures on the same engine.

10 Was there any specific reason why that was
 11 happening? Why was it failing with such

12 frequency?

13 A. Yeah. I don't know the answer because we
 14 were unable to, you know, commandeer the truck
 15 to do any detail testing with it.

16 And he was at the end of the life
 17 and willing, he was going to trade the truck
 18 off from what I understand, shortly thereafter,
 19 so we were unable to do any further testing.

20 We did send, we did send Aaron
 21 Shofner down to look at the truck though.

22 Q. Did he report back to you?

23 A. Yeah. There was a report somewhere that

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1 different OEMs being caused by the same
 2 problem?

3 A. I don't know that. We did not investigate
 4 each of the OEMs.

5 Q. What, what was causing the failures?

6 A. I don't know.

7 Q. Has the team ever found a root cause?

8 A. The team that was looking at this
 9 particular issue did not, but as I mentioned
 10 before in prior instances we had determined.

11 Q. How about with the Sterling's? Was there
 12 a root cause with Sterling's?

13 A. I don't know what the root cause is.

14 MR. SAMITO: You want to go off
 15 the record for a second?

16 (Discussion off the record.)

17 THE WITNESS: Okay.

18 (Exhibit No. 15 marked for
 19 identification.)

20 BY MR. SAMITO:

21 Q. Exhibit 15 is Bates number S001370. It's
 22 an e-mail from Brad Boden dated November 24th,
 23 2003.

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1 he had written up. And he had digital
 2 photographs in there of the truck and what he
 3 had seen on the flywheel housing.

4 Q. What was the substance of that report?

5 A. It was a mixer truck. I'm sorry, a dump
 6 truck, Sterling dump truck. And it had been
 7 modified with two, I guess you call them helper
 8 axles.

9 It had the two rear axles and
 10 there was two additional axles put forward on
 11 those rear axles that you could lower down.

12 Maybe it's, you have certain
 13 weight requirements. You have to have so much
 14 weight per axle to lower those axles down and
 15 you can get by that requirement.

16 But he had those axles, those
 17 axles were added after manufacture of the
 18 truck.

19 But he rode with the operator of
 20 the truck and didn't see any unusual, you know,
 21 rough environments that he went through or
 22 anything else.

23 And he commented the bolts were

1 FYI.

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2 If we want to get these housings
3 back need someone from Product Health to call
4 them back from Southworth Milton, Al Cardoza.
5 What's that mean?

6 A. You said this is an e-mail from me?

7 Q. Look at the bottom, the bottom one.

8 A. Oh. That's typically, when we call parts
9 back Product Health has that responsibility,
10 and they have a parts return request that they
11 need to issue to one of our dealers in order to
12 get parts returned.

13 So it's just our normal process
14 to get failed parts back to our claims room
15 where you can look at them.

16 Q. And then up at the top there's an e-mail
17 from L. Gregory Metz to you and a number of
18 other people dated a couple hours later that
19 same day and says; as Al mentioned in an e-mail
20 he just said the customer bought these housings
21 with his own money; these were not warranty
22 repairs.

23 What that means is we have no

1 Q. What if, what if they were still within
2 warranty and correct, in 500,000 miles or five
3 years would flywheel houses and flywheel hous-
4 bolt failures been something covered under that
5 warranty?

6 A. The extended service?

7 Q. Yeah. The extended service coverage.
8 Five years, 500,000 miles.

9 A. Yeah. I think the, it does cover the
10 flywheel houses. ESC coverage.

11 Q. So you just assumed that it was past, it
12 was outside of that ESC coverage, the five
13 years, 500,000 miles, which is why Trans-Spec
14 was buying these with their own money?
15 A. Yeah. I don't know if that's what I
16 thought at that time or not. I'm just reading
17 it now that I could have, I could have thought
18 that.

19 Q. And in the second paragraph there it
20 mentions the idea of seeing about a, it implies
21 some sort of deal with Sterling, right?

22 Some kind of restitution for the
23 repairs from Sterling to Trans-Spec and hoping

1 that that would mean Trans-Spec would be
2 willing to let Caterpillar have the housings.

3 Was there any approaching of
4 Sterling to see about facilitating this?

5 A. I believe that was Troy or a rep in the
6 field that would have approached Sterling, and
7 it talks about talking with their reps.

8 I don't, yeah, I believe that's
9 what that implied.

10 Q. Did Troy try, is that a situation where
11 Sterling may pay half the repair costs and
12 Caterpillar would pay half the repair costs?

13 A. He I believe had, he's talking here about
14 he was having a meeting with them to discuss
15 just that, but I don't know that that was ever
16 arranged.

17 We weren't privy to the meeting
18 or really the contents of it.

19 (Exhibit No. 19 marked for
20 identification.)

21 BY MR. SAMITO:

22 Q. I want to look at the second page which is
23 marked S001506. It's an e-mail from Al

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1 authority to call these parts back under the
2 standard warranty parts return system.

3 Did it help you remember if you
4 learned anything regarding Caterpillar not
5 reimbursing Trans-Spec for flywheel house or
6 flywheel house bolt failures?

7 A. All, I think, yeah. At the time we read
8 that it was out of warranty so it was, repairs
9 were being done at the customer's expense.

10 Q. You thought this time that they were out
11 of warranty?

12 A. I could have easily read it that way. I
13 guess I don't know if I knew at the time.

14 Q. Is this the type of thing that you assumed
15 would have been covered by warranty?

16 A. Well, we knew the engines were a little
17 bit older engines and, you know, when this went
18 out in 2004 they would have been four or five
19 years old.

20 Standard warranty is two years.
21 So I guess I would imply by reading that that
22 they were just out of warranty and that's why
23 he had to pay for them on his own.

INTRODUCTION

Caterpillar's Extended Service Coverage for On-Highway Vehicle Engine Service Contract, herein referred to as "service contract", for new vehicles powered with Caterpillar engines is an important part of Caterpillar's continuing effort to provide Caterpillar Vehicle Engine Owners with superior value and product support. This service contract provides the Owner assurance against unexpected repair costs for covered component failures due to defects in materials or workmanship under normal use.

TERMS AND CONDITIONS

This service contract is available for new vehicles powered with Caterpillar Mid-Range and Heavy Duty On-Highway Vehicle engines, herein referred to as "new vehicle(s)". This service contract is only available for use within the continental boundaries of the United States and Canada.

The Owner should purchase this service contract on the original delivery date of the new vehicle at a Caterpillar authorized dealer referred to as "authorized dealer". The applicable start mileage and date must be recorded on this Service Contract.

This service contract runs concurrently with the Caterpillar On-Highway Vehicle Engine Warranty and provides full components of labor coverage for covered components failures due to defects in Caterpillar materials or workmanship under normal use. Termination of this contract will occur when the time or mileage from the original delivery date exceeds the coverages as specified on this Service Contract.

Components listed below are covered under these programs except the applicable exclusions listed under Section VI, Exclusions & Limitations:

MID-RANGE EXTENDED SERVICE COVERAGE (ESC II)

ESC II for Mid-Range is available in two different deductibles:

Option 1 Caterpillar will pay 100% of the components and labor charges for covered failures, with no deductible charges. Option 2, Caterpillar will pay 100% of the components and labor charges for covered failures, less a \$500 deductible charge per service visit.

Following components are covered under the Mid-Range ESC II: exhaust manifolds, studs, & gaskets, inlet air heater & intake manifolds, cylinder head casting, exhaust/injector sleeves, cylinder head bolts, cylinder head gaskets, freeze plug & intake valves, valve spring, insert guide, retocool, & retainer, valve mechanism (including rocker arm, brackets, bushes, dowels, adjusting screws, nuts, shaft, & push tubes), valve cover & base, camshaft, camshaft bearings, camshaft lifter assembly (followers/clips), front covers & plates, front cover gaskets, front cover gears and power steering gear, flywheel housing, flywheel housing gasket, cylinder block casting, freeze plug, crankshaft, crankshaft - rod, main, & thrust bearings, connecting rod assembly & bushing, piston (wrist pin, retainer clip, & piston rings), oil jet tube, main bearing cap bolt, intake air tubes (3126), fuel injection pump & governor, fuel injection pump mounting seal, fuel ratio control, fuel lines, timing advance, control rack (3116), oil pan, oil pump, oil cooler housing, oil cooler core, oil filter base, HEUI high pressure oil lines, pump, & injector actuation pressure control valve, thermostat housing cover, water pump housing, water manifold, control module (BCM), sensors (boost pressure, atmospheric intake manifold air temp, oil pressure, coolant temperature, rack & timing temperature, engine speed, & rack position), throttle position/pedal sensor, speed timing sensor.

HEAVY-DUTY EXTENDED SERVICE COVERAGE (ESC I)

Caterpillar will pay 100% of the components and labor charges for covered failures, with no deductible charges.

Following components are covered under the Heavy-Duty ESC I: intake manifolds, cylinder head casting, exhaust/injector sleeves, cylinder head bolts, cylinder head gaskets, freeze plug, spacer plate (block & head), spacer plate gasket, intake & exhaust valves, valve spring, insert guide, retocool, & retainer, valve mechanism (including rocker arm, brackets, bushes, dowels, adjusting screws, nuts, shaft, & push tubes), camshaft, camshaft bearings, camshaft lifter assembly (including followers/clips), front covers & plates, front cover gaskets, front cover gears & power steering gear, flywheel housing, flywheel housing gasket, cylinder block casting, spacer block (3176), freeze plug, crankshaft casting, crankshaft - rod, main, & thrust bearings, connecting rod assembly & bushing, piston (wrist pin, retainer clip, & piston rings), oil jet tube, cylinder liner, cylinder liner seals, cylinder liner filler band, main bearing cap bolt, fuel injection pump mounting seal, timing gears, oil pump, oil cooler housing, thermostat housing cover, water pump housing, control module (BCM).

HEAVY-DUTY EXTENDED SERVICE COVERAGE (ESC II)

Components listed under Heavy-Duty Extended Service Coverage I are covered plus the following:

Intake manifold studs and gaskets, inlet air heater relay, valve cover and base, fuel injection pumps and governor, fuel ratio control, fuel lines, timing advance, oil pan, oil cooler core, oil filter base, water manifold, and shut-off solenoid.

HEAVY-DUTY EXTENDED SERVICE COVERAGE (ESC Plus)

Caterpillar will pay 100% of the components and labor charges for covered failures, with no deductible charges.

Components listed under Heavy-Duty Extended Service Coverage I and Heavy-Duty Extended Service Coverage II are plus the following: control module (BCM), vibration damper, road speed buffer, sensors (boost pressure, atmospheric air temp, oil pressure, coolant temperature, rack & timing, fuel temperature, engine speed, & rack position), throttle position/pedal sensor, speed timing sensor.

Termination of this Service Contract will occur when the time, miles, or hours, whichever occurs first, from the original delivery date the engine exceeds the coverage limits as specified on this Registration Certificate.

CATERPILLAR'S RESPONSIBILITIES

Caterpillar, during normal working hours at a place of business of an authorized dealer, will pay 100% of the components and labor charges, minus any applicable deductible, for the repair of covered component failures during the coverage period when they defects in materials or workmanship under normal use.

Caterpillar will provide (at Caterpillar's choice) either new, remanufactured or repaired components when replacing or repairing covered components which fail due to defects in materials or workmanship under normal use. Further, Caterpillar will also provide components and labor charges for any engine component which is rendered unserviceable by the failure of a covered component.

Caterpillar will restore the engine to its operating condition prior to failure by repairing/replacing only the defective components and any damaged components necessary to remove/repair/install the defective components. Other parts removed in the course of the repair will be reinstated as is, unless the Owner authorizes the additional expense to repair or replace.

Caterpillar will also pay the reasonable costs of any expendables or consumables, including but not limited to, lube oil, filter hoses, vee-belts, gaskets and seals which are made unusable as a result of a covered component failure.

OWNER'S RESPONSIBILITIES

The Owner accepts full liability for incorrect, invalid or late enrollments. Registrations will be accepted up to one hundred and eighty (180) days from original delivery date of sale at the published price levels. All registrations made by an authorized dealer after the initial enrollment period, and up to one year from original delivery date, will be charged an enrollment fee.

V. OWNER'S RESPONSIBILITIES

The Owner shall operate and maintain the engine according to the guidelines and recommendations as specified in the appropriate Caterpillar Vehicle Engine Operation & Maintenance Management Guide. The Owner shall provide full compliance with the Maintenance Schedules such as receipts or copies of work orders or invoices from authorized dealers showing the maintenance and services performed.

In the event of a covered component failure, the Owner must promptly make the engine available to an authorized dealer for repair and provide proof of this service contract registration by presenting the customer copy of the Registration Certificate. The Owner is responsible for all costs not covered by this service contract as specified in Section VI, Exclusions and Limitations.

VI. EXCLUSIONS & LIMITATIONS

This service contract does not cover component failures caused by:

- dealer workmanship on subsequent repairs and dealer workmanship on repairs made to non-covered components.
- non-covered components (including bolts, clamps, and other fasteners that attach non-covered components to the engine).
- operator abuse, neglect, improper operation or accident.
- non-Caterpillar attachments, accessories and parts (any engine part that is not identified by a Caterpillar part number including, but not limited to: engine compression and exhaust brakes, fans, radiators, air to air aftercooler cores, air conditioning compressors, clutches, filters, transmissions, torque converters, steering pumps, hoses, belts and clamps).
- an application or installation not approved by Caterpillar.
- normal wear out, including but not limited to oil consumption, chemical/mechanical erosion and/or leaking seals or gaskets.
- unauthorized repairs or adjustments, including but not limited to: improper fuel setting and valve lash adjustments.
- repairs or alterations made by an unauthorized dealer.
- brakesaver unless specified as option on contract.
- fuel transfer pump, fuel priming pump, unit injectors and fuel nozzles, thermostat, starters, alternators, turbocharger, air compressor, electronic connectors and wiring.
- steel shims and cast iron block inserts.
- acts of God, war, vandalism, riot, theft, explosion, and any other act of nature or man.
- failure to follow maintenance procedures and scheduled component inspections/replacements as specified in the Caterpillar Vehicle Engine Operation and Maintenance Management Guide.

This service contract also does not pay for:

- normal preventative maintenance and scheduled component inspections/replacements as defined in the Caterpillar Vehicle Engine Operation and Maintenance Management Guide, including but not limited to valve lash adjustments, inspections, Scheduled Oil Sampling and maintenance items such as lube oils, filters, belts and hoses.
- performance complaints, including but not limited to, any adjustments to fuel settings, PAR tests, or programming of the Electronic Control Module.
- reimbursement for any travel or towing, or overnight lodging or meals or communications expenses and any other downtime or downtime-related expenses cargo damage or economic loss.
- any and all taxes.
- parts shipping charges.

VII. TRANSFER OF COVERAGE

The remaining coverage of this service contract may be transferred to subsequent owners during the coverage period at no extra charge, provided the new owner of the vehicle presents a copy of the current Registration Certificate to an authorized dealer within ten (10) days of the transfer of the vehicle title. Remaining coverage cannot be transferred from a covered engine to a non-covered engine.

VIII. REFUNDS

Any and all service contract fees are non-refundable.

IX. DISCLAIMERS

CATERPILLAR'S RESPONSIBILITIES UNDER THIS SERVICE CONTRACT ARE LIMITED TO THE PROVISION OF MATERIALS AND LABOR AS SPECIFIED HEREIN.

CATERPILLAR DISCLAIMS ANY EXPRESS OR IMPLIED WARRANTIES IN CONNECTION HEREWITHE, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. REMEDIES UNDER THIS SERVICE CONTRACT ARE LIMITED TO THE PROVISION OF MATERIALS AND LABOR AS SPECIFIED HEREIN.

CATERPILLAR IS NOT RESPONSIBLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES.

REPLACEMENT PARTS FURNISHED UNDER THE TERMS OF THIS SERVICE CONTRACT ARE COVERED UNDER THE APPLICABLE REPLACEMENT PARTS WARRANTY.

THIS SERVICE CONTRACT DOES NOT SUPERSEDE THE EMISSION WARRANTY FOR EMISSION-RELATED COMPONENTS.

MISREPRESENTATION OF THE ENGINE'S ELIGIBILITY FOR COVERAGE, OR THE ACTUAL ACCUMULATED MILEAGE, HOURS, OR AGE SHALL RESULT IN CANCELLATION OF THIS SERVICE CONTRACT BY CATERPILLAR WITH NO REFUND. CATERPILLAR SHALL BE ENTITLED TO ALL OTHER REMEDIES.

**Caterpillar On-Highway Vehicle Engine
Extended Service Coverage**

Registration Form

For Multiple Unit Registrations

Page 7 of 11
Date 2-7-02
ECI # 2-7-02

Filed 06/14/2006

Document 136-4
Case 1:04-cv-11836-RCL

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
C-12	380/90 245/75 R16	557160	6000	51-15-00	156														
		380/90 245/75 R16	557163	6100	51-08-25	66													
		385 245/75 R16	557162	6200	51-15-00	70													
		385 245/75 R16	557161	6300	51-15-00	75													
		385 245/75 R16	557165	6700	51-08-25	156													
		385 245/75 R16	557170	6800	51-15-00	170													
		385 245/75 R16	557179	6900	51-15-00	176													
		385 245/75 R16	557180	7100	51-15-00	66													
		385 245/75 R16	557174	7400	51-15-00	74													
		385 245/75 R16	557168	7500	51-15-00	61													
		385 245/75 R16	557161	7600	51-08-25	66													
		385 245/75 R16	557175	7700	51-15-00	60													
		385 245/75 R16	557171	7800	51-15-00	1512													
		385 245/75 R16	557169	7900	51-15-00	1543													
		385 245/75 R16	557172	8000	51-15-00	1660													
		385 245/75 R16	557167	8100	51-15-00	1967													
		385 245/75 R16	557173	8300	51-15-00	67													
		385 245/75 R16	557176	8400	51-15-00	66													
		385 245/75 R16	557166	8600	51-08-25	71													
		385 245/75 R16	557164	8500	51-15-00	69													

This form is to be used as an addendum to On-Highway Vehicle Registration Certificate (LETF6573) which identifies specific terms, conditions, and component coverages.

Effective with sales to the first user or operator January 1, 1997

CATERPILLAR LIMITED WARRANTY

New 3406, C-12, C-10, 3176 and 3306 Engines Powering On-Highway Vehicles

Worldwide

(excluding the Commonwealth of Independent States)

Caterpillar Responsibilities

- Provide (a Caterpillar's choice) new or remanufactured or Caterpillar-approved repaired parts assembled
- Replace lubricating oil, filters and other materials made unusable by the defect
- Provide reasonable customer time needed to correct the defect, including labor for removal and installation
- Provide fuel, lubricants and coolant
- For electronically-controlled engines, allow Caterpillar access to all electronic data stored in the Electronic Control Module

During the extended warranty period, the user is responsible for continued operation of the product, including engine damage, and for repairing or replacing other parts of the product not covered by the warranty.

During the extended warranty period, Caterpillar will provide parts and labor to repair the product under the following conditions:

- Failure resulting from unauthorized repair or adjustments and/or unauthorized fuel setting changes
- Repair or replacement of unit injectors or nozzles after 50,000 miles (80,000 kilometers), whichever occurs first

During the standard warranty period, Caterpillar will provide parts and labor to repair the product under the following conditions:

- Failure resulting from abuse, neglect and/or improper use, including damage to the product resulting from use of unauthorized parts or parts not sold or approved by Caterpillar
- Failure resulting from a user's delay in making the product available after being notified of a potential product problem
- Failures resulting from unauthorized repair or adjustments and/or unauthorized fuel setting changes
- Repair or replacement of unit injectors or nozzles after 50,000 miles (80,000 kilometers)

During the standard warranty period, the user is responsible for repairing or replacing the following parts and components:

- Failure resulting from a user's failure to follow Caterpillar's recommendations for maintenance and/or repair
- Failure resulting from a user's failure to follow Caterpillar's recommendations for use of parts and components

During the standard warranty period, Caterpillar will provide parts and labor to repair the product under the following conditions:

- Failure resulting from a user's failure to follow Caterpillar's recommendations for use of parts and components
- Failure resulting from a user's failure to follow Caterpillar's recommendations for use of parts and components

During the standard warranty period, the user is responsible for repairing or replacing the following parts and components:

- Failure resulting from a user's failure to follow Caterpillar's recommendations for use of parts and components
- Failure resulting from a user's failure to follow Caterpillar's recommendations for use of parts and components

During the standard warranty period, Caterpillar will provide parts and labor to repair the product under the following conditions:

- Failure resulting from a user's failure to follow Caterpillar's recommendations for use of parts and components
- Failure resulting from a user's failure to follow Caterpillar's recommendations for use of parts and components

During the standard warranty period, the user is responsible for repairing or replacing the following parts and components:

- Failure resulting from a user's failure to follow Caterpillar's recommendations for use of parts and components
- Failure resulting from a user's failure to follow Caterpillar's recommendations for use of parts and components

During the standard warranty period, Caterpillar will provide parts and labor to repair the product under the following conditions:

- Failure resulting from a user's failure to follow Caterpillar's recommendations for use of parts and components
- Failure resulting from a user's failure to follow Caterpillar's recommendations for use of parts and components

(continued on reverse side)

Exhibit C

Landini

- Repair or replacement of water pump seals or thermostats after 200,000 miles (325,000 kilometers).
- Repair of auxiliary braking devices not manufactured by Caterpillar. Such devices are warranted by their manufacturer.

For products operating outside of Australia, Fiji, Nauru, New Caledonia, New Zealand, Papua New Guinea, the Solomon Islands and Tahiti, the following is applicable:

For products operating in Australia, Fiji, Nauru, New Caledonia, New Zealand, Papua New Guinea, the Solomon Islands and Tahiti, the following is applicable:

For products operating in the Middle East, Africa and China, certain limitations may apply to towing and/or travel expenses based on geographic location and proximity to the nearest authorized repair facility. Contact your nearest authorized repair facility to determine if these limitations apply.

NEITHER THE FOREGOING EXPRESS WARRANTY NOR ANY OTHER WARRANTY BY CATERPILLAR, EXPRESS OR IMPLIED, IS APPLICABLE TO ANY ITEM CATERPILLAR SELLS WHICH IS WARRANTED DIRECTLY TO THE USER BY ITS MANUFACTURER. THIS WARRANTY IS EXPRESSLY IN LIEU OF ANY OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE, EXCEPT CATERPILLAR EMISSION-RELATED COMPONENTS WARRANTIES FOR NEW ENGINES, WHERE APPLICABLE. REMEDIES UNDER THIS WARRANTY ARE LIMITED TO THE PROVISION OF MATERIAL AND SERVICES, AS SPECIFIED HEREIN. CATERPILLAR IS NOT RESPONSIBLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES.

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IF OTHERWISE APPLICABLE, THE VIENNA CONVENTION (CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS) IS EXCLUDED IN ITS ENTIRETY. For personal or family use engines operating in the USA, its territories and possessions, some states do not allow limitations on how long an implied warranty may last nor allow the exclusion or limitation of incidental or consequential damages. Therefore, the previously expressed exclusion may not apply to you.

This warranty gives you specific legal rights and you may also have other rights which vary by jurisdiction. To find the location of the nearest Caterpillar dealer or other authorized repair facility call (800) 447-4986. If you have questions concerning this warranty or its applications, call or write:

In USA and Canada: Caterpillar Inc. Engine Division, P. O. Box 610, Mossville, IL 61552-0610, Attention: Customer Service Manager, Telephone (800) 447-4986. Outside the USA and Canada: Contact your Caterpillar dealer.

THE INTERNATIONAL SALE OF GOODS) IS EXCLUDED IN ITS ENTIRETY. CATERPILLAR IS NOT LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES UNLESS IMPOSED UNDER MANDATORY RIGHTS.

IF OTHERWISE APPLICABLE, THE VIENNA CONVENTION (CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS) IS EXCLUDED IN ITS ENTIRETY.

This warranty covers every major component of the products. Claims under this warranty should be submitted to a place of business of a Caterpillar dealer or other source approved by Caterpillar. For further information concerning either the location to submit claims or Caterpillar as the issuer of this warranty, write Caterpillar Inc., 100 N. E. Adams St., Peoria, IL USA 61629-3345, or its subsidiary, Caterpillar of Australia Ltd., 1 Caterpillar Drive, Private Mail Bag 4, Tullamarine, Victoria 3043, Australia.

New C-16, C-15, C-12, and C-10 Engines Powering On-Highway Vehicles Worldwide*

(*excluding Commonwealth of Independent States)

Caterpillar Inc. or any of its subsidiaries ("Caterpillar") warrants new C-16, C-15, C-12, and C-10 engines sold by it for use in powering on-highway vehicles, and operating outside the Commonwealth of Independent States (formerly USSR), to be free from defects in material and workmanship.

A different warranty statement applies to products operating in the Commonwealth of Independent States. Copies of this warranty may be obtained by writing Caterpillar Inc., 100 N. E. Adams St., Peoria, IL 61629-3345.

This warranty is subject to the following:

Warranty Period

The standard warranty period for new engines powering on-highway vehicles, other than those used in recreational vehicles, fire trucks, emergency vehicles and ambulances, is 24 months from delivery to the first user.

The standard warranty period for new engines powering recreational vehicles, fire trucks, emergency vehicles and ambulances, is 60 months or 200,000 miles (321,869 kilometers), whichever occurs first after date of delivery to the first user.

The standard warranty period for new engines powering vehicles, fire trucks, emergency vehicles and ambulances, is 60 months or 200,000 miles (321,869 kilometers), whichever occurs first after date of delivery to the first user.

Extended Warranty

An extended warranty period applies to new engines powering on-highway vehicles (other than those service vehicles and ambulances) and applies solely to the following components: cylinder block casting, crankshaft, connecting rod assemblies, cylinder head

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casting, camshaft, main bearing bolts, flywheel housing, oil cooler housing, water pump housing, air intake housing, and electronic control module.

These parts are warranted against defects in material and workmanship for 60 months or 500,000 miles (804,672 kilometers) or 10,000 operating hours. This warranty runs concurrently with the standard warranty period.

Caterpillar Responsibilities

If a defect matches the standard warranty period, the user is responsible for:

w Providing proof of the delivery date to the first user.

w Repair or replacement costs, except as stated under "Caterpillar Responsibilities".

w Caterpillar transporting costs, except as stated under "Caterpillar Responsibilities/Limitations".

w Premium or overtime labor costs.

w Parts shipping charges in excess of those which are usual and customary.

w Local taxes, if applicable.

w Costs to investigate complaints, unless the problem is caused by a defect in Caterpillar material or workmanship.

w Giving timely notice of a warrantable failure and promptly making the product available for repair.

w Performance of required maintenance (including use of proper fuel, oil, filters, lubricants and coolant) and items replaced due to normal wear and tear.

w Allowing Caterpillar access to all electronically stored data.

During the extended warranty period, the user is responsible for:

w Providing proof of the delivery date to the first user.

components as specified.

w Giving timely notice of a warrantable failure and promptly making the product available for repair.

w Performance of required maintenance (including use of proper fuel, oil, filters, lubricants and coolant) and items replaced due to normal wear and tear.

Limitations

Caterpillar is not responsible for:

w Failures resulting from any use or installation which Caterpillar judges improper.

For products operating outside of Australia, Fiji, Nauru, New Caledonia, New Zealand, Papua New Guinea, the Solomon Islands and Tahiti, the following is applicable:

NEITHER THE FOREGOING EXPRESS WARRANTY NOR ANY OTHER WARRANTY BY CATERPILLAR, EXPRESS OR IMPLIED, IS APPLICABLE TO ANY ITEM OR MATERIAL SELL'S WHICH IS WARRANTED DIRECTLY TO THE USER BY ITS MANUFACTURER.

THIS WARRANTY IS EXPRESSLY IN LIEU OF ANY OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY, EXPRESS

COMPONENTS WARRANTIES, EXCEPT CATERPILLAR EMISSION-RELATED REMEDIES UNDER THIS WARRANTY ARE LIMITED TO THE PROVISION OF SERVICES, AS SPECIFIED HEREIN. CATERPILLAR IS NOT RESPONSIBLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES.

CATERPILLAR EXCLUDES ALL LIABILITY FOR OR ARISING FROM ANY OF GOODS OR THE PROVISION OF SERVICES IN RESPECT OF THE MANUFACTURE OR SUPPLY

IF OTHERWISE APPLICABLE, THE VIENNA CONVENTION (CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS) IS EXCLUDED IN ITS ENTIRETY.

For personal or family use engines operating in the USA, some states do not allow limitations on how long an implied warranty may last nor allow the expressed exclusion or limitation of incidental or consequential damages. Therefore, the previously

expressed exclusion may not apply to you.

This warranty gives you specific legal rights and you may also have other rights which vary by jurisdiction. To find the location of the nearest Caterpillar dealer or other authorized

applications, call or write: In USA and Canada: Caterpillar Inc. Engine Division, P. O. Box 437-4986. Outside the USA and Canada: Customer Service Manager, Telephone (800) 437-4986. Outside the USA and Canada: Contact your Caterpillar dealer.

For products operating in Australia, Fiji, Nauru, New Caledonia, New Zealand, Papua New Guinea, the Solomon Islands and Tahiti, the following is applicable:

w Failures resulting from attachments, accessory items and parts not sold or approved by Caterpillar.

w Failures resulting from abuse, neglect and/or improper repair.

w Failures resulting from user's delay in making the product available after being notified of a potential product problem.

w Failures resulting from unauthorized repair or adjustments.

w Repair or replacement of unit injectors after 150,000 miles (241,402 kilometers).

w Repair or replacement of water pump seals or thermostats after 200,000 miles (321,869 kilometers).

w Repair of auxiliary braking devices not manufactured by Caterpillar. Such devices are warranted by their manufacturer.

For products operating in the Middle East, Africa, and Singapore Branch, and Caterpillar China Limited dealers, certain limitations may apply to towing and/or travel expenses based on geographic location and proximity to the nearest authorized repair facility. Contact your nearest authorized repair facility to determine if these limitations apply.

NEITHER THIS WARRANTY NOR ANY OTHER CONDITION OR WARRANTY BY CATERPILLAR, EXPRESS OR IMPLIED (SUBJECT ONLY TO THE MANDATORY RIGHTS), IS APPLICABLE TO ANY ITEM CATERPILLAR SELLS WHICH IS WARRANTED DIRECTLY TO THE USER BY ITS MANUFACTURER. NEITHER THIS WARRANTY NOR ANY OTHER WARRANTY IMPLIED BY STATUTE OR OTHERWISE, ARE EXCLUDED.

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